

House File 904 - Enrolled

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HOUSE FILE 904

AN ACT

RELATING TO WITHHOLDING TAX AND THE REPEAL OF THE LOAN
AGENCIES TAX.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 331.401, subsection 1, paragraph k,
Code 2007, is amended to read as follows:

k. Levy taxes as certified to it by tax-certifying bodies
in the county, in accordance with the statutes authorizing the
levies and in accordance with chapter 24 and sections 444.1 to
444.8, and levy taxes as required in chapters ~~430A~~, 433, 434,
437, and 438.

Sec. 2. Section 331.427, subsection 1, unnumbered
paragraph 1, Code 2007, is amended to read as follows:

Except as otherwise provided by state law, county revenues
from taxes and other sources for general county services shall
be credited to the general fund of the county, including
revenues received under sections 9I.11, 101A.3, 101A.7,
123.36, 123.143, 142B.6, 176A.8, 321.105, 321.152, 321G.7,
321I.8, section 331.554, subsection 6, sections 341A.20,
364.3, 368.21, 423A.7, 428A.8, ~~430A.3~~, 433.15, 434.19, 445.57,
453A.35, 458A.21, 483A.12, 533.24, 556B.1, 583.6, 602.8108,
904.908, and 906.17, and the following:

Sec. 3. Section 422.16, subsection 1, unnumbered paragraph
1, Code 2007, is amended to read as follows:

Every withholding agent and every employer as defined in
this chapter and further defined in the Internal Revenue Code,
with respect to income tax collected at source, making payment
of wages to a nonresident employee working in Iowa, or to a
resident employee, shall deduct and withhold from the wages an
amount which will approximate the employee's annual tax
liability on a calendar year basis, calculated on the basis of
tables to be prepared by the department and schedules or
percentage rates, based on the wages, to be prescribed by the
department. Every employee or other person shall declare to
the employer or withholding agent the number of the employee's
or other person's personal exemptions and dependency
exemptions or credits to be used in applying the tables and
schedules or percentage rates. However, no greater number of
personal or dependency exemptions or credits may be declared
by the employee or other person than the number to which the
employee or other person is entitled except as allowed under
~~section sections~~ 3402(m)(1) and 3402(m)(3) of the Internal
Revenue Code and as allowed for the child and dependent care
credit provided in section 422.12C. The claiming of
exemptions or credits in excess of entitlement is a serious
misdemeanor.

Sec. 4. Section 441.73, subsection 1, Code 2007, is
amended to read as follows:

1. A litigation expense fund is created in the state
treasury. The litigation expense fund shall be used for the
payment of litigation expenses incurred by the state to defend
property valuations established by the director of revenue
pursuant to section 428.24 and chapters ~~430A~~, 433, 434, 437,
437A, and 438, and for the payment of litigation expenses
incurred by the state to defend the imposition of replacement
taxes and statewide property taxes under chapter 437A.

Sec. 5. Section 445.3, unnumbered paragraph 2, Code 2007,
is amended to read as follows:

The commencement of actions for ad valorem taxes authorized
under this section shall not begin until the issuance of a tax
sale certificate under the requirements of section 446.19.
The commencement of actions for all other taxes authorized
under this section shall not begin until ten days after the
publication of tax sale under the requirements of section
446.9, subsection 2. This paragraph does not apply to the
collection of ad valorem taxes under section 445.32, and grain
handling taxes under section 428.35, and moneys and credits
taxes under chapter ~~430A~~.

Sec. 6. Chapter 430A, Code 2007, is repealed.

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PATRICK J. MURPHY
Speaker of the House

JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 904, Eighty-second General Assembly.

MARK BRANDSGARD
Chief Clerk of the House
Approved _____, 2007

CHESTER J. CULVER
Governor